CKE MARKETING SDN BHD A

v.

VIRTUAL CENTURY SDN BHD & ANOR

HIGH COURT MALAYA, KUALA LUMPUR B
ZULKEFLI AHMAD MAKINUDIN J
[ORIGINATING MOTION NO: D3-25-12-2004]
28 OCTOBER 2005

PATENTS: *Registered designs - Rectification of register - Industrial Designs Act 1996, s. 24(1)(a) - Whether first defendant's design registration wrongfully remaining on the register - Whether first defendant's industrial design 'not new' at time of application for registration - Whether invalid due to disclosure made to Malaysian public - Whether proved - Rules of the High Court 1980, O. 41 r. 5(1) - Infringement of - Whether plaintiff failed to disclose cogent and direct evidence to support allegations - Whether evidence of prior art shown and relied upon by plaintiff materially different in appearance as compared to first defendant's registered design* C D

This was the plaintiff's application (encl. 2) to rectify the Register of Industrial Design contending that the first defendant's design registration no. MY-00-00057 was wrongfully remaining on the register and sought to expunge the same from the said register in accordance with the provision of s. 24(1)(a) of the Industrial Designs Act 1996 ('the Act'). The main ground relied on by the plaintiff for rectification of the first defendant's wrongful registration was that it was 'not new' at the time of the application for registration. The plaintiff contended that the first defendant's industrial design filed on 12 August 1999 and registered under the Act was invalid due to disclosure made to the Malaysian public prior to the priority date (12 August 1999) of a similar design purportedly to be differing only in immaterial details as to the plaintiff's design. The subject matter of the proceeding herein was with regard to the first defendant's glass door display chiller/freezer sold under the brand name 'LINDEN' which was termed as 'Refrigeration Apparatus' under the provision of the Act ('the first defendant's article'). The first defendant contended that based on its background knowledge of the industry it had developed novel design features and applied it to its product and sold its new product into the market. The first defendant's article featured a curved crescent like shape display panel with aluminium frames E F G H I

A and curved aluminium door frames. The first defendant's article was also registered in the United Kingdom as a registered design under the UK Registered Designs Act 1949 since 12 August 1999.

B **Held (dismissing plaintiff's application in encl. 2):**

[1] The appearance of the first defendant's article was a result of a combination of a crescent like shaped display with curved aluminium border frames (Circle A) The door frames had a distinctive curve at the center with two grooves C forming its border (Circle B). These features rendered the first defendant's article materially and visually different from any purported prior art of traditional refrigeration apparatus that had existed before. (p 38 A - B)

D **[2]** From the definition for 'statement of novelty' as provided for under the Act, it was clearly indicated that the monopoly right granted to the first defendant was with respect to the overall visual appearance of the representations made or filed in which designs in circles A and B applied thereto. The E plaintiff's attempt to isolate each of the designs marked as circles A and B in the registration from the first defendant's article and to compare the same individually against purported prior art was wholly misleading and incorrect in law. (p 37 H)

F

[3] A further added visual appeal of the first defendant's article stemmed from the fact that the surfaces of Circle A design and Circle B design were curvature in shape and were made from aluminium metal which reflected light thereby creating a G rich 'goldish' shine giving it an overall clean, smooth and solid appearance. Such characteristic was not found in any purported prior art or traditional refrigeration apparatus that had existed before. (p 38 C)

H **[4]** The plaintiff had misconstrued in alleging that the first defendant claimed novelty in the colours and type of materials applied to the first defendant's article. The first defendant was not making any such claims but was merely illustrating that by virtue of the curved surfaces of the design in Circles A and B the elements of colour and type of I material would naturally and undeniably enhance or have impact on the visual appearance or appeal of the first defendant's article. (p 38 E)

[5] As regards the plaintiff's contention that the first defendant admitted that its crescent shape panel was a result (Circle A) of a 'method of construction', the court found such contention was misconceived. The statement of novelty in the first defendant's registration did not claim novelty in any method of construction of the display panel. The statement by the defendant with regard to the production process of the display panel was made merely to illustrate how the design was applied to an article through an industrial process. This was in line with the definition of 'Industrial design' under the Act. (p 38 G - H)

[6] The plaintiff's attempt to compare exhs. CWY4, CWY5 and CWY6 to the door frame 'profile' design of the first defendant's article without comparing the same to the visual appearance of the first defendant's door frame design and to the overall appearance of the first defendant's article was an incorrect approach under the law. In any event, the door frame of the first defendant's article was materially different from those in exhs. CWY4, CWY5 and CWY6. The first defendant's frame design had a distinctive curve at the center with two grooves forming its border giving it a clean, smooth and solid appearance. Further its curved surface reflected shining lights creating a rich 'goldish' shine. In contrast to exhs. CWY4, CWY5 and CWY6, the door frames were multi grooved without a smooth surface. (p 39 E - H)

[7] There was no cogent evidence to prove that the product shown in exh. CWY8 was disclosed to the Malaysian public prior to 12 August 1999. The plaintiff's attempt to compare exh. CWY8 to only the crescent like curve display panel without comparing the same to the overall appearance of the first defendant's article was an incorrect approach in law. The curved display panel of the first defendant's article was distinctively different from those in exh. CWY8. (p 40 B - D)

[8] The plaintiff had relied on exh. CWY14 in encl. 5 and exh. CWY24 in encl. 7. There was a conflict of evidence here. The two said exhibits had been supplied to Malaysia since 1995 whereas the statutory declaration in exh. CWY24 stated 'The refrigerator ..was sold and exported to Malaysia in early 1990's'. Furthermore, by merely stating that one's

product had been sold to an oversea country does not prove that the same had been disclosed to the public of that country. As such, there was no cogent evidence to prove that the product shown in exhs. CWY14 and CWY24 were disclosed to the Malaysian public prior to 12 August 1999. (p 40 E - G)

[9] On exhs. CWY15A and CWY15B in encl. 5, the plaintiff was relying on the truth of the contents in the letter by a foreign company shown in exh. CWY15A wherein it was stated that a certain model of refrigerator was introduced into Malaysian market around 1993. Clearly this was an infringement of O. 41 r. 5(1) of the Rules of the High Court 1980 ('RHC 1980') and inadmissible hearsay evidence to this proceeding. Nonetheless such statement by a foreign company did not prove that the said model had been disclosed to the Malaysian public before 12 August 1999. (p 41 A - B)

[10] On exhs. CWY16A and CWY16B in encl. 5 relied on by the plaintiff, there was no cogent evidence to prove that the product shown in the said exhibits were disclosed to the Malaysian public prior to 12 August 1999. On exh. CWY17 of encl. 5, the plaintiff was again relying on the truth of the contents of a letter shown in exh. CWY17 wherein a foreigner stated that a certain model of a foreign refrigerator was sold to Malaysia in 1998. This was an infringement of O. 41 r. 5(1) of the RHC 1980 and inadmissible hearsay evidence to this proceeding. Nonetheless such statement by a foreign company did not prove that the said model had been disclosed to the Malaysian public before 12 August 1999. (p 41 C - E)

[11] The plaintiff was relying on the truth of the contents of a manufacturer's label shown in exh. CWY25B. This was an infringement of O. 41 r. 5(1) of the RHC 1980 and inadmissible hearsay evidence to this proceeding. Further it was merely a bare assertion that the serial number therein indicated that the refrigerators were imported into Malaysia in 1995. The year 1995 could be the year it was manufactured and not the year it was imported into Malaysia and subsequently disclosed to the Malaysian public. There

was also no cogent evidence to prove that the product shown in exhs. CWY18, CWY25 and CWY25C were disclosed to the Malaysian public prior to 12 August 1999. (p 41 G - I)

[12] On exh. CWY22 in encl. 5 relied on by the plaintiff, the court found that by merely showing a collection of sales brochures and directory in exh. CWY22 did not prove that the products therein were disclosed to the Malaysian public prior to 12 August 1999. The court also found exh. CWY23 in encl. 5 by merely showing a collection of sales brochures by foreigners in exh. CWY23 did not prove that the products therein were disclosed to the Malaysian public prior to 12 August 1999. (p 42 A)

[13] The plaintiff had failed to disclose cogent and direct evidence in support of its allegations. The evidence of prior art shown and relied upon by the plaintiff was materially different in appearance as compared to the first defendant's registered design. (p 42 C)

Case(s) referred to:
Amp Incorporated v. Utilux Pty Ltd [1970] RPC 397 ***(refd)***
D Sebel & Co Ltd v. National Art Metal Co Pty Ltd [1965] 10 FLR 224 ***(refd)***

Legislation referred to:
Industrial Designs Act 1996, ss. 17(1), 24(1)(a), 25
Rules of the High Court 1980, O. 41 r. 5(1)

For the plaintiff - Nor Amimi; M/s Chee, Amimi & Adrian Han
For the 1st defendant - YY Ho (Eric Teoh & Toh Chia Hua with him); M/s Azman Davidson & Co

Reported by Suhainah Wahiduddin

JUDGMENT

Zulkefli Ahmad Makinudin J:
By way of notice of originating motion (encl. 2) the plaintiff applies to rectify the Register of Industrial Design contending that the first defendant's design registration No. MY-00-00057 is wrongfully remaining on the register and seeking to expunge the same from the said register in accordance with the provision of s. 24(1)(a) of The Industrial Designs Act 1996 ("the Act").

Section 24(1)(a) of the Act states as follows:

> The court may, on the application in the prescribed manner of any person aggrieved by the non-inclusion in or omission from the Register of any entry, or by or in any entry made in the Register without sufficient cause, or any entry wrongfully remaining in the Register, make such order for including, making, expunging or varying any such entry or for the correcting of any such error or defect as it deems fit.

The main ground relied by the plaintiff for rectification of the first defendant's wrongful registration No. MY-00-00057 is that it is not new at the time of the application for registration. The plaintiff contends that the first defendant's industrial design filed on 12 August 1999 and registered under the Act is invalid due to disclosure made to the Malaysian public prior to the priority date ("12 August 1999") of a similar design purportedly to be differing only in immaterial details as to the plaintiff's design. It should be noted under s. 17(1) of the Act the priority date of an application for the registration of an industrial design is the filing date of the application and under s. 25 of the Act the registration of an industrial design shall be deemed to have come into force on the filing date of the application for the registration of the industrial design and shall subsist for five years thereafter which may be extended for two further consecutive terms of five years each.

The subject matter of the present proceeding is with regard to the first defendant's glass door display chiller/freezer sold under the brand name "LINDEN" which is termed as "Refrigeration Apparatus" under the provision of the Act ("the first defendant's article"). The existing models and design features of the refrigeration apparatus that existed prior to 12 August 1999 are old and unappealing in appearance. The first defendant contends based on its background knowledge of the industry the first defendant developed novel design features and applied it to its product and sold its new product into the market. The first defendant's article features a curved crescent like shape display panel with aluminium frames and curved aluminium door frames. The first defendant's article is also registered in the United Kingdom as a Registered Design under the UK Registered Designs Act 1949 since 12 August 1999 (see the first defendant's exh. "KYK3" in encl. 3).

Findings Of The Court

As regards the requirement of novelty for an industrial design, the English Court of Appeal in the case of *Amp Incorporated v. Utilux Pty, Limited* [1970] RPC 397 *inter alia* had this to say:

> Novelty or originality must be substantial, that is, must be present as a matter of substance, having regard to the nature of the article … There must still be substantial novelty or originality having regard to the nature of the article before it is registrable, and differences from the prior art in details which are immaterial is not enough.
>
> It is of course impossible to define how large the difference must be in any particular case, because this will inevitably depend on such matters as the nature of the article, the extent of the prior art and the number of previous designs in the field in question.

In view of the above judicial proposition the question of novelty therefore is dependent on the nature of the article. A relevant consideration would be whether the article is a generic product that is commonly used by members of the public. In such circumstances it is likely that the design features applied to an article are already individually in existence or in use prior to the formation of the said article. In this connection the totality of the design features taken as a whole and the overall appearance of the common article becomes a paramount consideration for the court's determination whether the same possesses novelty as compared to articles that were disclosed to public earlier.

In relation to generic or common products such as in the present case, the standard of novelty or originality must be construed in accordance to its circumstances. In the case of *D Sebel & Co, Ltd, v. National Art Metal Co. Pty. Ltd.* [1965] 10 FLR 224, the court held *inter alia* at p. 227 as follows:

> It is also true no doubt that a mere conjunction of old features does not necessarily result in a new design. However, it may do so and it seems to me that when one is dealing with furniture design, with the obvious limitations that exist in the addition of new features, one should not be astute to deny novelty upon the ground that there is not some wholly new feature of design incorporated. Design in such a field is a subtle thing and, provided it is distinctive to the trained eye, I think that registration should not be denied in view of the element of subtlety which is involved in the combination of old features in a particular way and the manner in which they are combined.

With regard to claims for novelty the English Court of Appeal in the case of *Amp Incorporated v. Utilux Pty, Limited (supra)* at p. 431 *inter alia* states as follows:

> Finally, on the question of validity it was argued by the respondent that the design was ambiguous by reason of wording of its statement of novelty which claimed novelty or originality in all the features of the design ... How can such a claim be made, it is asked, if it is clear that one feature, such as the receptacle, is old and it is then argued that, to say the least of it, the statement of novelty must be ambiguous in its scope. I do not think there is anything in this argument. The statement of novelty makes it clear that novelty is being claimed for the design as a whole. There is nothing ambiguous about such claim or statement. It may be wrong and the facts may not justify the claim, but in my judgment it cannot be said to be ambiguous.

On the above mentioned points I would like to refer to the statement of novelty of the first defendant in the present case which reads: 'Novelty Resides In The Shape And Configuration Of The Design As Shown In The Circle In The Representations.' The statement is accompanied with an overall front and perspective photographs of the first defendant's article as a whole and followed by a side view photograph of the curved panel marked as Circle A and a front view photograph of the curved door frame marked as Circle B to illustrate visual details. (See exh. CWY1 of encl. 2).

The definition for "statement of novelty" as provided for under the Act reads as follows:

> statement of novelty, in relation to an industrial design means a statement relating to the representation of an article to which the industrial design is applied that indicates those features of the representation in respect of which novelty is claimed.

It is clearly indicated from the above definition that the monopoly right granted to the first defendant under the Act is with respect to the overall visual appearance of the representations made or filed in which designs in circles A and B are applied thereto. It is my view that the plaintiff's attempt to isolate each of the designs marked as circles A and B in the registration from the first defendant's article and to compare the same individually against purported prior art is wholly misleading and incorrect in law.

The appealing appearance of the first defendant's article is a result of a combination of a crescent like shaped display with curved aluminium border frames (Circle A) (see p. 3/4 exh. CWY2 of encl. 2 and p. 2 exh. KYK7 of encl. 3). It is noted that the door frames having a distinctive curve at the centre with 2 grooves forming its border (Circle B) (see p. 4/4 exh. CWY2 of encl. 2 and p. 2 exh. KYK7 of encl. 3). These features in my view render the first defendant's article materially and visually different from any purported prior art of traditional refrigeration apparatus that existed before.

A further added visual appeal of the first defendant's article stems from the fact that the surfaces of Circle A design and Circle B design are curvature in shape and are made from aluminium metal which reflect light thereby creating a rich "goldish" shine giving it an overall clean, smooth and solid appearance. However such characteristic is not found in any purported prior art or traditional refrigeration apparatus that existed before.

It is my finding that the plaintiff has misconstrued in alleging that the first defendant claims novelty in the colours and type of materials applied to the first defendant's article. I find that the first defendant is not making any such claims but merely illustrating that by virtue of the curved surfaces of the design in Circles A and B the elements of colour and type of material would naturally and undeniably enhance or have impact on the visual appearance or appeal of the first defendant's article.

As regards the plaintiff's contention that the first defendant admits that its crescent shape panel was a result (Circle A) of a "method of construction", I find such a contention is misconceived. It is apparent that the statement of novelty in the first defendant's registration does not claim novelty in any method of construction of the display panel. The statement by the defendant with regard to the production process of the display panel is made merely to illustrate how the design is applied to an article through an industrial process. This is in line with the definition of "Industrial design" under the Act which means "features of shape, configuration, pattern or ornament applied to an article by any industrial process or means, ...

I shall now address on each of the so-called evidence by way of exhibits relied upon by the plaintiff to show that the first defendant's alleged design Circle A and Circle B is not new and which has been known to Malaysians. My findings on the said respective exhibits are as follows:

(a) Exhibits CWY4 and CWY6 in encl. 1 are photographs taken in 2004 which is far after the priority date of 12 August 1999.

(b) Exhibit CWY5 in encl. 1 is an undated photograph.

(c) Exhibit CWY3 in encl. 1 does not indicate that the goods sold are goods shown in exhs. CWY4, CWY5 or CWY6.

(d) The refrigeration apparatus in exhs. CWY4, CWY5 or CWY6 in encl. 1 are very similar if not identical to the first defendant's older models from which the first defendant's article was developed.

(e) The refrigeration apparatus in exhs. CWY4, CWY5 or CWY6 in encl. 1 do not have the crescent-like curve display panel at the top of the unit as per the first defendant's article (a relevant comparison is shown in exh. "KYK2" of encl. 3).

(f) The plaintiff's attempt to compare exhs. CWY4, CWY5 and CWY6 to the door frame "profile" design of the first defendant's article without comparing the same to the visual appearance of the first defendant's door frame design and to the overall appearance of the first defendant's article is an incorrect approach under the law.

(g) In any event the door frame of the first defendant's article is materially different from those in exhs. CWY4, CWY5 and CWY6. The first defendant's frame design has a distinctive curve at the centre with 2 grooves forming its border giving it a clean, smooth and solid appearance. Further its curved surface reflects shining lights creating a rich "goldish" shine. In contrast to exhs. CWY4, CWY5 and CWY6 the door frames are multi-grooved without a smooth surface (a relevant comparison is shown in exh. "KYK9" of encl. 3 between frames at the far left and the frame of the first defendant's article at the far right).

(h) The invoices shown in exh. CWY7 are sale transactions of the first defendant's older model under the brand name "ASECO" and not the first defendant's article which was only

marketed and sold after the first defendant has successfully registered its industrial design (the old ASECO model is exhibited in exh. "KYK8" of encl. 3).

(i) There is no cogent evidence to prove that the product shown in exh. CWY8 was disclosed to the Malaysian public prior to 12 August 1999.

(j) The plaintiff's attempt to compare exh. CWY8 to only the crescent-like curve display panel without comparing the same to the overall appearance of the first defendant's article is an incorrect approach in law.

(k) In any event the curved display panel of the first defendant's article (see the first defendant's Registration Certificate in exh. CWY2 of encl. 1 and photographs of the curved panel in exh. "KYK1" and "KYK2" in encl. 3) is distinctively different from those in exh. CWY8. In addition the border frame of the first defendant's article is made from aluminium metal that gives a smooth and shiny appearance as opposed to a wholly plastic look.

The plaintiff is also relying on exh. CWY14 in encl. 5 and exh. CWY24 in encl. 7. I find there is a conflict of evidence here. Exhibits CWY14 and CWY24 has been supplied to Malaysia since 1995 whereas the statutory declaration in exh. CWY24 states that "The refrigerator ... was sold and exported to Malaysia in early 1990's". Furthermore by merely stating that one's product has been sold to an oversea country does not prove that the same has been disclosed to the public of that country. As such there is no cogent evidence to prove that the product shown in exhs. CWY14 and CWY24 were disclosed to the Malaysian public prior to 12 August 1999. Similarly the plaintiffs attempt to compare exhs. CWY14 and CWY24 to only the crescent like curve display panel without comparing the same to the overall appearance of the first defendant's article is an incorrect approach in law. In any event the curved display panel of the first defendant's article (see the first defendant's Registration Certificate in exh. CWY2 of encl. 1 and photographs of the curved panel in exh. "KYK1" and "KYK2" in encl. 3) is distinctively different from those in exhs. CWY14 and CWY24. In addition the display panel of the first defendant's article has a metal border frame that gives a smooth and shiny appearance as opposed to a frameless plastic display panel.

A On exhs. CWY15A and CWY15B in encl. 5, I find that the plaintiff is relying on the truth of the contents in the letter by a foreign company shown in exh. CWY15A wherein it is stated that a certain model of refrigerator was introduced into Malaysian market around 1993. Clearly this is an infringement of O. 41 B r. 5(1) of the Rules of High Court 1980 ("RHC 1980") and inadmissible hearsay evidence to this proceeding. Nonetheless such statement by a foreign company does not prove that the said model has been indeed disclosed to the Malaysian public before 12 August 1999.

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On exhs. CWY16A and CWY16B in encl. 5 relied on by the plaintiff there is no cogent evidence to prove that the product shown in exhs. CWY16A and CWY16B was disclosed to the Malaysian public prior to 12 August 1999. Photographs in exh. D CWY16B are undated and locations of the refrigerators therein are not indicated.

On exh. CWY17 of encl. 5, I find the plaintiff is again relying on the truth of the contents of a letter shown in exh. CWY17 wherein a foreigner states that a certain model of a foreign E refrigerator was sold to Malaysia in 1998. This is an infringement of O. 41 r. 5(1) of the RHC 1980 and inadmissible hearsay evidence to this proceeding. Nonetheless such statement by a foreign company does not prove that the said model has been indeed disclosed to the Malaysian public before 12 August 1999. F

On exhs. CWY18 in encl. 5, CWY25A, CWY25B and CWY25C in encl. 7, the following is my finding respectively on each of them:

(a) Photographs in exhs. CWY18, CWY25A, CWY25B and G CWY25C are undated.

(b) The plaintiff is relying on the truth of the contents of a manufacturer's label shown in exh. CWY25B. This is an infringement of O. 41 r. 5(1) of the RHC 1980 and inadmissible hearsay evidence to this proceeding. Further it is H merely a bare assertion that the serial number therein indicates that the refrigerators were imported into Malaysia in 1995. The year 1995 could very well be the year it was manufactured and not the year it was imported into Malaysia and subsequently disclosed to the Malaysian public.

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(c) There is no cogent evidence to prove that the product shown in exhs. CWY18, CWY25A and CWY25C were disclosed to the Malaysian public prior to 12 August 1999.

On exh. CWY22 in encl. 5 relied on by the plaintiff, I find by merely showing a collection of sales brochures and directory in exh. CWY22 does not prove that the products therein were disclosed to the Malaysian public prior to 12 August 1999. I also find on exh. CWY23 in encl. 5 by merely showing a collection of sales brochures by foreigners in exh. CWY23 does not prove that the products therein were disclosed to the Malaysian public prior to 12 August 1999.

On the grounds above stated I hereby dismiss the plaintiff's application in encl. 2 with costs. It is my finding that the plaintiff has failed to disclose cogent and direct evidence in support of its allegations. The evidence of prior art shown and relied upon by the plaintiff is materially different in appearance as compared to the first defendant's registered design.